



PROVIDING
PATHWAYS
OUT OF POVERTY

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Docket Number R-1723 and RIN Number 7100-AF94

To Whom It May Concern:

The Primavera Foundation appreciates the opportunity to comment on the Federal Reserve Board (Fed) Advance Notice of Proposed Rulemaking (ANPR) regarding the Community Reinvestment Act (CRA).

We want to applaud the direction and focus of the Fed to strengthen and improve the CRA to address historic and current inequities in communities across the United States, especially as we plan for investing in a critical robust and equitable recovery response to the impact that COVID-19 has had on underserved communities experiencing persistent poverty, especially communities of color.

The mission of the Primavera Foundation is to provide pathways out of poverty through safe, affordable housing, workforce development, and neighborhood revitalization. Primavera serves 7,000-8,000 households annually in Tucson and Pima County as well as four rural counties in southern Arizona through emergency services, affordable rental housing, job readiness and employment, financial and homebuyer education, coaching, and asset building programs, and neighborhood revitalization, including real estate development, community planning, and comprehensive community development in the poorest municipality in the state of Arizona. We partner with multiple financial institutions across Arizona that invest in our work as well as provide down payment assistance and affordable lending products for our first time low and moderate income (LMI) homebuyers, and whose staff volunteer in our organization. Once Arizona became the nation and world's hot spot for the coronavirus, we have been overwhelmed responding to the overwhelming and disproportionate impact that the pandemic has had on underserved families and neighborhoods experiencing persistent poverty as well as LMI households holding their own until the arrival of COVID-19.

In Arizona, CRA has been critical to the loans, investments, and philanthropy that banks have made for local economic development in underserved neighborhoods. Nevertheless, we are still working with neighborhoods that were redlined in the 20th Century, were still poorer prior to the coronavirus, and are disproportionately suffering from COVID-19.

We, therefore, urge the Federal Reserve Board to include the following to strengthen and improve the CRA:



- 1) Performance measures on CRA exams should include lending, investing, branch presence and services to underserved areas including LMI borrowers, people and communities of color, smaller cities, rural counties, and Native American lands.
- 2) Five ratings must be retained on the state level as well as subtests in order to motivate banks to be responsive to a critical, equitable recover to COVID-19.
- 3) Underserved areas should be designated based on lending in order to target redlined, disinvested neighborhoods and communities of color.
- 4) Certain categories should be defined as eligible for CRA credit, including those activities that banks carry out in partnership with community development organizations whose mission is to serve LMI individuals and organizations to include CDFIs, HUD-approved housing counseling organizations, and NeighborWorks chartered organizations.
- 5) In order to reach underserved areas, we support the Fed's recommendation to improve data collection, including data from community development financing, in order to determine communities of greatest need.

Primavera Foundation appreciates the opportunity to provide these comments with the goals of strengthening and modernizing the Community Reinvestment Act, especially at this time of critical time as we plan for equitable recovery for communities across this nation devastated by the coronavirus.

A handwritten signature in black ink that reads "Peggy Hutchison". The signature is fluid and cursive, with the first name "Peggy" being larger and more prominent than the last name "Hutchison".

Peggy Hutchison
CEO, Primavera Foundation